AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE CENTRAL AFRICAN REPUBLIC REGARDING THE REDUCTION OF CERTAIN DEBTS OWED TO, GUARANTEED BY, OR INSURED BY THE UNITED STATES GOVERNMENT AND ITS AGENCY

Acknowledging the September 1999 commitment of the President of the United States to provide 100 percent debt forgiveness of eligible debt to certain Heavily Indebted Poor Countries;

And recognizing that the Executive Boards of the World Bank's International Development Association and the International Monetary Fund determined on September 27 and 28, 2007, respectively, that the Central African Republic had reached the "Decision Point" as defined under the Enhanced Debt Initiative for the Heavily Indebted Poor Countries;

The Government of the United States of America (the "United States") and the Government of the Central African Republic ("Central African Republic") agree as follows:

ARTICLE I

Application of the Agreement

In accordance with the recommendations contained in the Agreed Minutes on the Consolidation of Debt of the Central African Republic (hereinafter referred to as the "Minutes") approved by representatives of certain nations, including approval by the United States on November 28, 2007 and approval by the representative of the Central African Republic on December 24, 2007, and in accordance with the applicable domestic laws of the United States and the Central African Republic, the United States and the Central African Republic agree herein to the cancellation of certain Central African Republic payments arising from debts which are owed to, guaranteed by, or insured by the United States Government and its Agency.

ARTICLE II

Definitions

1. "Agency" means the Export-Import Bank of the United States ("Ex-Im Bank").

2. "Completion Point" means the date on which the Boards of the International Monetary Fund ("IMF") and the World Bank decide that the Central African Republic has reached its Completion Point, as defined under the Enhanced Debt Initiative for the Heavily Indebted Poor Countries.

3. "Consolidated Arrears" mean 100 percent of the amounts of unpaid principal and interest, including Late Interest, due as of August 31, 2007, inclusive, under the Contracts.

4. "Consolidated Debt" means one hundred (100) percent of the amounts of principal and interest, excluding Late Interest, falling due during the Consolidation Period under the Contracts.

5. "Consolidation Period" means: (a) the period from September 1, 2007 through November 30, 2007, inclusive, if the conditions set forth in Article IV, paragraph 1 of this Agreement are satisfied; (b) the period from September 1, 2007 through November 30, 2008, inclusive, if the conditions set forth in Article IV, paragraphs 1 and 2 of this Agreement are satisfied; and (c) the period from September 1, 2007 through November 30, 2009, inclusive, if the conditions set forth in Article IV, paragraphs 1, 2 and 3 of this Agreement are satisfied.

6. "Contracts" mean those agreements or other financial arrangements which have maturities under:

(a) the bilateral debt rescheduling agreement ("Rescheduling Agreement of 1990") between the United States and the Central African Republic signed on March 22, 1990;

(b) Article III, paragraphs 3 and 4 of the bilateral debt rescheduling agreement ("Rescheduling Agreement of 1994") between the United States and the Central African Republic signed on September 6, 1994;

(c) the bilateral debt rescheduling agreement ("Rescheduling Agreement of 1999") between the United States and the Central African Republic signed on September 1, 1999; and

(d) the bilateral debt restructuring agreement ("Bilateral Debt Restructuring Agreement of 2008") between the United States and the Central African Republic signed on February 20, 2008.

A table listing the relevant contracts to be included under the reduction is attached hereto as Annex A.

Debt service due as a result of debts described above and effected through special payment mechanisms or other external accounts is covered by this Agreement.

7. "Late Interest" means interest charges payable on due, but unpaid amounts of principal and interest that have accrued from the original contractual due date up to August 31, 2007, inclusive, on amounts of Consolidated Debt and Consolidated Arrears in accordance with the terms of the Contracts, notwithstanding the payment of such principal and interest subsequent to the original due dates.

8. "Minutes" means the Agreed Minutes on the Consolidation of the Debt of the Central African Republic, approved by Participating Creditor Countries, including approval by the United States on November 28, 2007 and approval by the representative of the Central African Republic on December 24, 2007.

9. "Participating Creditor Countries" means the creditor countries that have approved the Minutes.

ARTICLE III

Terms and Conditions of Payment

1. The amount equal to 100 percent of the Consolidated Debt and Consolidated Arrears is hereby cancelled.

A table summarizing the amount of Consolidated Debt and Consolidated Arrears to be cancelled if the Consolidation Period is September 1, 2007 to November 30, 2007, inclusive, is attached hereto as Annex B1. A table summarizing the amount of Consolidated Debt and Consolidated Arrears to be cancelled if the Consolidation Period is September 1, 2007 to November 30, 2008, inclusive, is attached hereto as Annex B2. A table summarizing the amount of Consolidated Debt and Consolidated Arrears to be cancelled if the Consolidation Period is September 1, 2007 to November 30, 2009, inclusive, is attached hereto as Annex B3.

2. Adjustments in the amounts of Consolidated Debt and Consolidated Arrears may be made in writing, as necessary and by mutual consent.

3. All terms of the Contracts remain in full force and effect, except as they may be modified by this Agreement.

ARTICLE IV

General Provisions

1. The provisions of this Agreement will apply during the period September 1, 2007 to November 30, 2007, inclusive, provided the Central African Republic continues to have an appropriate arrangement with the International Monetary Fund (IMF).

2. The provisions of this Agreement will apply during the period September 1, 2007 to November 30, 2008, inclusive, provided that (i) the Chairman of the Paris Club or his designee has informed the Government of the Central African Republic in writing that the IMF's Executive Board has approved the 2nd review of the arrangement for the Central African Republic under the Poverty Reduction and Growth Facility; and (ii) the Central African Republic has made on due dates the payments referred to in the Minutes.

3. The provisions of this Agreement will apply during the period September 1, 2007 to November 30, 2009, inclusive, provided that (i) the Chairman of the Paris Club or his designee has informed the Government of the Central African Republic in writing that the IMF's Executive Board has approved the 4th review of the arrangement for the Central African Republic under the Poverty Reduction and Growth Facility; and (ii) the Central African Republic has made on due dates the payments referred to in the Minutes.

4. The parties agree that the consolidation, reduction, and rescheduling of maturities and capitalization of interest provided for in Article III of the Bilateral Debt Restructuring Agreement of 2008 will apply to: (a) 100 percent of the amount of principal and interest due and unpaid as of November 30, 2006, inclusive, including Late Interest Charges; and (b) the principal and interest installments due between December 1, 2006 and August 31, 2007, inclusive. The parties further agree that the consolidation and rescheduling of maturities and capitalization of interest provided for in Article III of the Bilateral Debt Restructuring

Agreement of 2008 will not apply to principal or interest installments due during the Consolidation Period under the Contracts specified in Article II, paragraph 6 of this Agreement.

5. The United States and its Agency reserve the right, in their discretion, to redirect any payment made by the Central African Republic on its obligations under the Contracts if the United States concludes that such action will more effectively implement the recommendations contained in the Minutes as well as any subsequent actions of the Paris Club in relation to the Central African Republic. In making a decision whether to redirect such payments, the United States may take into account any factors it deems appropriate, including, but not limited to, any actions on the part of the Central African Republic that result in the Central African Republic's failure to satisfy the conditions of Article IV, paragraphs 1, 2 and 3 of this Agreement. As used in this paragraph, "redirect" means: (1) to apply or reapply all or a portion of a payment made by the Central African Republic to either an obligation due or coming due under the Contracts or to another obligation due or coming due of the Central African Republic to the United States or its Agency; or (2) to return any amount to the Central African Republic.

6. The Central African Republic agrees to grant the United States and its Agencies treatment on terms no less favorable than those which it has accorded, or may accord, to any other creditor country or its agencies for the reduction of debts of comparable maturities.

7. The Central African Republic shall seek to secure from external creditors, including banks and suppliers, reduction and reorganization arrangements on terms comparable to those set forth in the Minutes for credits of comparable maturity, while trying to avoid inequity between different categories of creditors, all as described in the Minutes.

8. With respect to amounts owing to Ex-Im Bank under this Agreement, the Central African Republic agrees to the additional terms and conditions set forth in Annex C.

9. The Annexes shall constitute an integral part of this Agreement.

10. This Agreement may be amended or modified by mutual written consent of the United States and the Central African Republic.

ARTICLE V
Subsequent Debt Reduction

1. If the Central African Republic maintains satisfactory financial relations with the Participating Creditor Countries, fully implements all external debt agreements signed with them, maintains a sound adjustment track record, and the Boards of the IMF and the World Bank decide that the Central African Republic has reached its Completion Point as defined under the Enhanced Debt Initiative for the Heavily Indebted Poor Countries, the United States agrees, in principle, to participate in a Paris Club meeting convened for the purpose of

considering treatment of the Central African Republic's stock of debt. The United States agrees, in the context of equitable burden sharing among creditors, to take such actions as it deems appropriate to enable the Central African Republic to reach its debt sustainability objectives.

2. If, following the conclusion of the Consolidation Period as defined in this Agreement, but prior to the meeting referred to in Article V, paragraph 1, the Paris Club determines that conditions in the Central African Republic warrant additional interim debt relief and a further extension of the Consolidation Period, the United States agrees, in principle, to cancel 100 percent of the Central African Republic's principal and interest payments falling due during the further extension of the Consolidation Period agreed to by the Paris Club.

ARTICLE VI

Suspension or Termination

The United States may suspend or terminate this Agreement by giving sixty (60) days written notice to the Central African Republic. In particular, the United States may terminate all or part of this Agreement if the Participating Creditor Countries determine that the Central African Republic has not met its obligations under the Minutes, including that of comparable treatment. If the United States terminates all or part of this Agreement, all debts cancelled under this Agreement shall be due and payable immediately according to terms of the Contracts, following notification to the Central African Republic of termination of the Agreement.

ARTICLE VII

Entry into Force

This Agreement shall enter into force following signature of the Agreement and written notice from the United States to the Central African Republic that all necessary domestic legal requirements for entry into force of the Agreement have been fulfilled.

Done at Bangui, in the English and French language, both texts being equally authentic, in duplicate, this 22 day of August 2008.

FOR THE UNITED STATES OF AMERICA:

EMBASSY OF THE UNITED STATES OF AMERICA BANGUI

FOR THE CENTRAL AFRICAN REPUBLIC:

Annex A
Contracts Subject to Reduction

Export-Import Bank Loan Numbers:
R-132
R-203
R-241
R-302

Annex B1
Summary of Consolidated Arrears and
Consolidated Debt if the Consolidation Period Covers the Period From
September 1, 2007 through November 30, 2007
(thousands of U.S. dollars)

Export Import Bank	$105.3
Total	$105.3

Annex B2
Summary of Consolidated Arrears and
Consolidated Debt if the Consolidation Period Covers the Period From
September 1, 2007 through November 30, 2008
(thousands of U.S. dollars)

Export Import Bank	$1,006.2
Total	$1,006.2

Annex B3
Summary of Consolidated Arrears and
Consolidated Debt if the Consolidation Period Covers the Period From
September 1, 2007 through November 30, 2009
(thousands of U.S. dollars)

Export Import Bank	$1,899.3
Total	$1,899.3

Annex C

Additional Terms and Conditions with Respect to
Amounts Owed to Ex-Im Bank

The Government of the Central African Republic (hereinafter referred to as the "Government"), agrees to the following additional terms and conditions with respect to the amounts owing to Ex-Im Bank, guaranteed by Ex-Im Bank, or insured by Ex-Im Bank, pursuant to the attached Agreement between the United States of America and the Government:

A. Representations. The Government represents and warrants that it has taken all actions necessary or advisable under its laws and regulations to authorize the execution, delivery and performance of this Agreement and that this Agreement constitutes the valid and binding obligations of the Government, enforceable against the Government in accordance with its terms and for the performance of which the full faith and credit of the Government is pledged. The Government acknowledges that the activities contemplated by this Agreement are commercial in nature rather than governmental or public and agrees that, to the extent that it has or hereafter may acquire immunity from suit, judgment and/or execution, it will not assert or claim any such right of immunity with respect to any action by Ex-Im Bank to enforce the Government's obligations under this Agreement.

B. Miscellaneous Provisions.

1. Expenses. The Government shall pay on demand all reasonable costs and expenses incurred by or charged to Ex-Im Bank in connection with or arising out of this Agreement, including without limitation costs and legal fees incurred by or charged to Ex-Im Bank in connection with the enforcement of this Agreement.

2. Adjustments. On or about 135 days after the execution of this Agreement, Ex-Im Bank shall inform the Government of the actual amounts to be reduced hereunder. The parties hereto agree to make any necessary adjustments to the amounts being reduced.

3. Communications. All communications between the Government and Ex-Im Bank under this Agreement shall be in writing, in the English language (or accompanied by an accurate English translation). All communications to the Government shall be addressed to the Government at the address designated by the Government from time to time in writing to Ex-Im Bank; all communications to Ex-Im Bank shall be addressed to Ex-Im Bank at the following address:

Export-Import Bank of the United States
811 Vermont Avenue, N.W.
Washington, D.C. 20571
Attention: Treasurer-Controller

Telex: 89461 EX-IM BANK WSH
197681 EXIM UT
Facsimile: (202) 565-3890
Reference: Ex-Im Bank Loan R-302